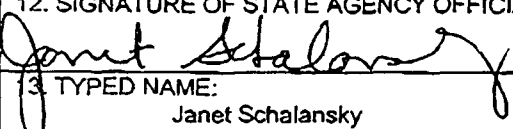
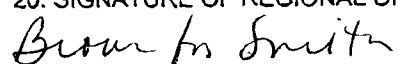


17W

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
HEALTH CARE FOLLOWING ADMINISTRATIONFORM APPROVED  
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL HEALTHCARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER:  SPA #02-22	2. STATE:  Kansas
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE  October 1, 2002	
5. TYPE OF PLAN MATERIAL (Check One):  <input type="checkbox"/> NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.253		7. FEDERAL BUDGET IMPACT a. FFY 2003 \$ 443,694 b. FFY 2004 \$ 443,694	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D Part II Subpart O Exhibit 0-1 Pages 2 & 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-D Part II Subpart O Exhibit 0-1 Pages 2 & 3	
10. SUBJECT OF AMENDMENT:  Payment rates for non-state intermediate care facilities for the mentally retarded.			
11. GOVERNOR'S REVIEW (Check One):  <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Janet Schalansky is the Governor's <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Designee			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Janet Schalansky, Secretary Social & Rehabilitation Services Docking State Office Building 915 SW Harrison, Room 651S Topeka, KS 66612-2210	
13. TYPED NAME: Janet Schalansky			
14. TITLE: Secretary			
15. DATE SUBMITTED:			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12/10/02		18. DATE APPROVED: 2/14/03	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/01/02		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Thomas W. Lenz CHARLENE BROWN		22. TITLE: Deputy Director, CMSO ARA for Medicaid & State Operations	
23. REMARKS:  SPA CONTROL  Date Submitted: Date Received:			

## KANSAS MEDICAID STATE PLAN

Attachment 4.19 D

Part II

Subpart O

Exhibit 0-1

Page 2

## II. Or, all other ICF's/MR (nonstate) (class 2)

## Levels of Care:

The level of functioning is calculated by screening all ICF/MR clients in Kansas using the Developmental Disabilities Profile (DDP), which rates clients on each of three indexes: adaptive functioning, maladaptive behavior, and health needs. Facility converted scores are obtained by performing the following calculations:

1. Each index score is divided by the highest score obtained in Kansas in a given year for the corresponding index.
2. The resulting scores for each index are added together and averaged.
3. The resulting number is multiplied by 100. (Thus, the maximum possible converted score is 300).

Using the above methodology, five levels of facilities are identified based on the following converted DDP scores:

<u>LEVELS</u>	<u>CONVERTED DDP SCORES</u>
Level I	150 - and up
Level II	125 - 149.99
Level III	100 - 124.99
Level IV	75 - 99.99
Level V	50 - 74.99

Direct service limits are based on facility size; divided into three groups: above 16 beds; 9 to 16 beds; and 4 to 8 beds; and level of functioning using the chart above.

	<u>Facility Size</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Level IV</u>	<u>Level V</u>
A.	+16 beds	\$120.00	\$118.35	\$100.00	\$ 82.39	\$ 59.85
B.	9-16 beds	\$148.00	\$129.59	\$133.40	\$123.00	\$ 69.54
C.	4-8 beds	\$191.00	\$158.00	\$151.00	\$ 99.91	\$ 78.55

Administrative per diem limits are based on the size of the facility, using the same classes as referred to above.

FEB 14 2003

TN #MS-02-22 Approval Date \_\_\_\_\_ Effective Date 10/1/2002 Supersedes #MS-01-22

## KANSAS MEDICAID STATE PLAN

Attachment 4.19 D

Part II

Subpart O

Exhibit 0-1

Page 3

A.	+16 beds	\$10.00
B.	9-16 beds	\$23.00
C.	4-8 beds	\$28.00

Ownership allowance is established by a property fee system, which is a continuation of the system used previously. The fee has been calculated by analyzing all facility costs, arranging them from high to low, placing them into five groups and adding "value factors":

**VALUE FACTOR**

The per diem reimbursement for facility ownership is based on the historic cost of each facility. The value factor was to reward those with low ownership costs – mortgage interest, rent/lease expense, amortization and depreciation. The value factor calculations for ICFs/MR may be found below and are the same as used in the Nursing Facility program (see Medicaid State Plan transmittal #87-43, effective 10-1-87, approved 2-5-88).

**Calculation methodology for the value factor:**

## 1) Property Allowance Calculation

The four line items of ownership cost—mortgage interest, rent/lease expense, amortization and depreciation—were added together and divided by client days to arrive at the ownership cost per client day for each provider.

## 2) Value Factor Calculation

For all providers the property allowances were arrayed based on facility size and percentiles were established. These percentiles became the basis for establishing the property value factor. Five different percentile groupings were developed from each array as follows.

<u>Group No.</u>	<u>Percentile Ranking</u>	<u>Add-on Percent</u>
1	Zero through 25 <sup>th</sup> Percentile	45%
2	26 <sup>th</sup> through 50 <sup>th</sup> Percentile	15%
3	51 <sup>st</sup> through 75 <sup>th</sup> Percentile	7.5%
4	76 <sup>th</sup> through 85 <sup>th</sup> Percentile	5%
5	86 <sup>th</sup> through 100 <sup>th</sup> Percentile	-0-